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BEFORE THE ARIZONA CORPORATION COMMISSION**COMMISSIONERS**

Arizona Corporation Commission

ROBERT "BOB" BURNS – Chairman **DOCKETED**
 BOYD DUNN
 SANDRA D. KENNEDY
 JUSTIN OLSON
 LEA MARQUEZ PETERSON

MAY 14 2020

DOCKETED BY

IN THE MATTER OF THE COMMISSION'S
 INQUIRY/INVESTIGATION OF QWEST
 CORPORATION DBA CENTURYLINK QC
 REGARDING 911 OUTAGES.

DOCKET NO. T-01051B-19-0001

IN THE MATTER OF THE COMMISSION'S
 INQUIRY/INVESTIGATION REGARDING
 THE ADEQUACY OF THE EQUIPMENT
 AND FACILITIES OF QWEST
 CORPORATION DBA CENTURYLINK QC.

DOCKET NO. T-01051B-19-0183

ORDER TO SHOW CAUSE

Decision No. 77633

Open Meeting
 May 5-6, 2020
 Phoenix, Arizona

BY THE COMMISSION:

For purposes of this Order, the determinations, Findings of Fact and Conclusions of Law propounded by Staff in this matter, and Staff's Proposed Order are incorporated as if fully set forth herein.

* * * * *

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes and orders that:

FINDINGS OF FACT

1. The Commission has jurisdiction to hear complaints against public service corporations pursuant to A.R.S. § 40-246. The Commission has jurisdiction to supervise and regulate public service corporations pursuant to Article XV of the Arizona Constitution and Title 40 of the Arizona Revised Statutes.

1 2. CenturyLink QC is a public service corporation incorporated in Colorado that
2 provides telecommunications services throughout much of Arizona.

3 3. CenturyLink QC is classified as a Class "A" utility for purposes of the Commission's
4 rate case filing requirements.

5 4. CenturyLink has provided telecommunications services in Arizona before statehood.

6 5. CenturyLink QC provides a full range of telecommunications and internet services in
7 Arizona. CenturyLink QC provides or is involved in the provision of 911 services in Arizona.

8 **I. BACKGROUND.**

9 6. As a condition of providing service in Arizona, CenturyLink QC is required to comply
10 with Arizona law, Commission Orders, Rules and Regulations.

11 7. There are currently five enforcement dockets, inclusive of this docket involving
12 CenturyLink QC pending at the Commission. Those dockets include: 1) In the Matter of the
13 Commission's Inquiry/Investigation of Qwest Corporation d/b/a CenturyLink QC Regarding
14 Customer Proprietary Network Information Data Breach (Docket No. T-01051B-19-0277); 2) In the
15 Matter of the Commission's Inquiry/Investigation Regarding the Adequacy of the Equipment and
16 Facilities of Qwest Corporation d/b/a CenturyLink QC (Docket No. T-01051B-19-0183); 3) In the
17 Matter of the Commission's Investigation of Qwest d/b/a CenturyLink's Failure to Comply with the
18 Commission's Blue Stake Law, (Docket No: T-01051B-19-0135); and 4) In the Matter of the
19 Application of Qwest Corporation d/b/a CenturyLink QC to Amend the Maximum Tariffed Rates for
20 Certain Competitive Services (Docket No. T-01051B-18-0258), collectively referred to as
21 Enforcement Dockets.

22 8. In March 2020, the Arizona Attorney General announced a settlement with
23 CenturyLink after allegations that CenturyLink was using deceptive and unfair advertising and billing
24 methods. CenturyLink was fined almost \$11 million, including having to return \$1.9 million to
25 consumers, invest \$2 million in fiber-optic infrastructure improvements, and pay \$7 million to the
26 state of Arizona.¹

27
28 ¹ See, Arizona Attorney General press release dated March 2, 2020; <https://www.azag.gov/press-release/attorney-general-brnovich-announces-nearly-11-million-settlement-centurylink>.

1 9. The Enforcement Dockets demonstrate a trend of cost-cutting at the expense of
2 consumer health and safety, over-reliance on third-party contractors, inadequate oversight and
3 education of third-party contractors, failure to follow best practices in some cases, and failure to
4 maintain and keep its facilities in a condition suitable to provide safe and adequate service.

5 10. The dockets upon which this Complaint is based involve issues concerning
6 CenturyLink's provision of 911 services in Arizona and a docket that Commissioner Kennedy
7 requested by opened involving the Commission's Inquiry/Investigation Regarding the Adequacy of
8 the Equipment Facilities of Qwest Corporation d/b/a CenturyLink QC (Docket No. T-01051B-19-
9 0183). It is also based upon several complaints/inquiries in the Consumer Services 2018 and 2019
10 database. The Commission directed Staff to file this Complaint at this time because of a concern
11 with the Company's failure to respond in a timely manner to complaints raised regarding the level of
12 service it is providing and its inability at times to maintain its service, equipment and facilities to
13 ensure the health and safety of its customers. The conduct alleged in these two dockets, in particular,
14 which adversely affect the public's health and safety will not be tolerated by the Commission.

15 11. Under A.R.S. § 40-361(B), every public service corporation is required to maintain
16 "such service, equipment and facilities as will promote the safety, health, comfort, and convenience
17 of its patrons, employees, and the public, and as will be in all respects adequate, efficient and
18 reasonable."

19 12. Nothing is more fundamental to a customer's health and safety than the ability to call
20 911 to obtain emergency assistance. 911 is the abbreviated dialing code used in the United States
21 (and some other countries) which end-users dial to obtain emergency assistance. Early 911 systems
22 had many constraints. Most areas in the United States now have Enhanced 911 ("E-911") which
23 automatically provides the caller's location to 911 dispatchers. Many areas also have Next
24 Generation 911 ("NG-911") which utilize the Internet Protocol ("IP") network to deliver voice,
25 video, text and data calls to the Public Service Answering Point ("PSAP").

26 13. The PSAP functions as a call center and is the point where emergency calls are sent.

27 14. Many state, local and federal agencies have roles with respect to the provision of 911
28

1 service. The Federal Communications Commission (“FCC”) plays a major role due to the need for
2 uniformity nationwide. Different state and local agencies play important roles as well.

3 15. The nature of the 911 incidents discussed herein, involving CenturyLink, the fact that
4 incidents continue to occur and the Company’s non-responsiveness to its customers’ concerns, all of
5 which adversely affects public health and welfare, requires the Commission’s immediate attention.

6 **II. EVIDENCE OF CENTURYLINK’S FAILURE TO PROVIDE SAFE AND RELIABLE** 7 **SERVICE AND FACILITIES.**

8 **A. Multiple and Continuing 911 Impacting Network Failures or Failures Impacting** 9 **an End Users Ability to Call 911.**

10 16. CenturyLink QC has been involved in many network failures of 911 services. The
11 most recent was last week in Yuma, Arizona.

12 17. Much of the outage information is contained on the Commission’s Outage Reporting
13 System through reports filed by CenturyLink.

14 18. A list of all of the 911 impacting network failures of those which have impacted an
15 end user’s ability to call 911 is attached as Exhibit 1.

16 *i. Failure to maintain critical infrastructure necessary to provide critical* 17 *services and to take steps to ensure the availability of essential health and* 18 *safety services.*

19 19. The City of Page, Arizona (“City”) in an April 14, 2020, letter to the Commission
20 complains of the lack of appropriate maintenance, communication to the City regarding maintenance
21 and outages, and timely response from CenturyLink as it relates to local equipment that spans
22 decades. (*See Exhibit 2*).

23 20. The City alleges that the continuing failures with CenturyLink provided services can
24 be attributed to “decades of poor maintenance and non-responsiveness from CenturyLink.”

25 21. The City reports that it has had continuing difficulties with CenturyLink (including
26 lack of responsiveness) regarding the ownership of poles in its service area. According to the City,
27 CenturyLink has “failed to replace or properly maintain the poles that it claims to own.” When the
28 City attempted to terminate an old Joint Use Pole agreement, CenturyLink responded to the City’s
termination offering a new updated agreement disputing the City’s ownership of 40% of the poles
that housed both City and CenturyLink attachments. The City also stated that this problem has

1 “resulted in many public safety hazards and has put the City electric utility in an impossible position
2 where it must choose between incurring the risk and cost of working on another utility’s pole or
3 standing idle in the face of an imminent danger to the public.” *Id.*

4 22. The City gave two examples dealing with poles. The first incident in 2011 involved a
5 wooden pole that CenturyLink claimed to own which fell in a residential area in close proximity to a
6 church and the Page Middle School. The downed pole posed an imminent safety hazard. When the
7 City contacted CenturyLink about the downed pole, CenturyLink responded that it did not have
8 adequate local crews or equipment to remedy the problem. The City was forced to replace
9 CenturyLink’s pole and re-attach CenturyLink’s equipment. CenturyLink offered no compensation
10 or assistance. *Id.*

11 23. The second incident occurred on December 17, 2016, when a vehicle crashed into a
12 pole at an intersection of a major thoroughfare in Page. Both CenturyLink and the City had tagged
13 the pole as its inventory. The City reported that the “damage to the pole was so extensive that it
14 needed to be immediately replaced or removed because the lines were the only thing holding the pole
15 upright following the accident.” When notified by the City of the problem, CenturyLink failed to
16 provide any response. Because of the imminent threat and danger posed by the pole, including that it
17 could easily fall over and cause significant damage or injury, the City took the necessary steps to
18 temporarily brace the pole and remove all of its equipment to provide a “measure of safety to the
19 public.” The City asked CenturyLink to remove its equipment as soon as possible so the City could
20 remove the pole. CenturyLink delayed over six months to remove its equipment while “the pole
21 stood precariously with temporary bracing.” “This non-responsiveness and refusal to maintain or fix
22 problem poles is pervasive in Page.”

23 24. In addition to the incidents discussed above in paragraphs 19 through 23 above, other
24 entities have experienced similar delays and non-responsiveness on CenturyLink’s part even where
25 critical health and safety services are at issue. *See* paragraphs 25 through 51.

26 ...

27 ...

1 ii. ***Failure to communicate critical information to First Responders and Others***
2 ***necessary to mitigate and repair or restore essential health and safety***
3 ***services.***

4 25. The City of Page April 14, 2020, letter to the Commission stated that with respect to
5 CenturyLink's 911 outages and facility/equipment provided to the City of Page, the difficulties that
6 the City has encountered with the lack of appropriate maintenance, communications and response
7 from CenturyLink as it relates to local equipment and these failures span decades. (See Exhibit 2).

8 26. The City of Page also stated that the many equipment and facility issues "stem from
9 decades of poor maintenance and non-responsiveness from CenturyLink." The City stated that issues
10 that should be highlighted include pole ownership/maintenance, outage management, and lack of
11 communication and cooperation.

12 27. On July 23, 2019, C.H. Huckelberry, County Administrator with the Pima County 911
13 System ("Pima County") sent a letter to Chairman Burns and the Commissioners to express their
14 concerns with CenturyLink's overall lack of performance in their provisioning of Next Generation
15 911 ("NG-911") Communication System and the outage that occurred on July 9, 2019 in which both
16 the primary and backup systems failed. The failures occurred despite CenturyLink's assurance and
17 advertising the 911 emergency network would be 99.999 percent available and there would be no
18 more than five minutes of downtime. "We find it unfathomable that both their primary and backup
19 systems failed."

20 28. Pima County believes CenturyLink's response to the outage was unacceptable and
21 grossly incomplete and that CenturyLink failed to take responsibility or inform the public of their
22 system failure through either a press release or a public statement. Pima County states that the letter
23 from CenturyLink filed in this docket regarding its explanation of the events that occurred during the
24 outage, provided no clear answer as to why the outage occurred nor how to prevent such events in the
25 future.

26 29. The public trust of CenturyLink's NG-911 system to Pima County is in doubt. As a
27 result of this inaction, the Pima County Public Safety Agencies incurred the public scrutiny for this
28 system failure even though it was CenturyLink that was responsible for the system the failure. Pima

1 County believes this event requires a thorough and complete factual examination, an independent
2 third-party verification of the cause as well as certification by an independent third-party expert that
3 the event will not reoccur and that the neither the primary nor backup 911 emergency
4 communications system will fail in the future. *See* Exhibit 3.

5 30. On March 11, 2020, ACT Towing, LLC dba All City Towing (“ACT”) filed an
6 informal complaint with the Utilities Division’s Consumer Services Department regarding issues
7 with ACT’s CenturyLink provided services. ACT subscribes to voice IP technology and internet
8 services, including a redundancy system. ACT claims that it has been paying an average of \$6,100
9 per month for approximately 4 years, which was to include a redundancy system; however that
10 system was never operable (See Exhibit 4).

11 31. ACT indicated that many items, including the redundant system it is paying for, were
12 never addressed by CenturyLink. In response, CenturyLink stated that
13 CenturyLink’s router(s) needed to be replaced; but when they were replaced, this action did not
14 resolve the issues but only resulted in delaying the needed repairs. CenturyLink then stated that some
15 of the cards owned by CenturyLink had gone bad. When the cards were replaced, however, this
16 action did not resolve the issue and this also delayed the required repairs. CenturyLink also advised
17 that ACT had power issues. The notion that there were power issues was disproven 4 weeks later
18 when CenturyLink’s technicians could not duplicate the issues that CenturyLink insisted were
19 occurring. ACT states that when equipment was replaced, the symptoms would subside, but only
20 temporarily. Shortly afterwards, the issue would re-occur. ACT states that CenturyLink never
21 addressed the redundant/backup solution CenturyLink engineered and sold to ACT but has never
22 been operational throughout the entire service history of ACT. (See Exhibit 4).

23 32. At the December 4, 2019, 911 Commission Workshop on Telecom Service Outages
24 and their impact on 911 services; Investigation of adequacy of 911 services back up redundancy
25 Docket No. T-00000A-19-0179, Mr. Geoff Kuhn, the City of Tucson 911 Administrator (“Tucson
26 (911”), discussed the July 9, 2019 outage in the Tucson area Tucson 911 expressed its concern that
27 CenturyLink’s unwillingness to share technical issued and other information were hindering Tucson
28 911 from working with CenturyLink to quickly resolve issues. For example, CenturyLink declined to

1 make any public announcements regarding 911 outages stating that its Legal or Corporate would not
 2 allow them to do so. Tucson 911 found the total lack of transparency in providing information to the
 3 local 911 systems to be inappropriate and unworkable. CenturyLink's service outage notifications to
 4 the City were unnecessarily vague and CenturyLink's unwillingness to make a public statement about
 5 the services it provides thwarted the City's efforts to promptly deal with the outage and mitigate its
 6 impacts.²

7 **iii. *Inappropriate Use of 911 Resources Due to CenturyLink QC's Failure to***
 8 ***Timely Respond and Correct Facility Issues.***

9 33. In Complaint No. 2018-147840 filed with the Commission on January 19, 2018, a
 10 New River Arizona CenturyLink customer indicated that over the course of the past 25 years, there
 11 has been a problem with wet cable when it rains causing the phone lines to go out. Another problem
 12 it created were crossed phones lines resulting in calls to 911 being diverted. The situation apparently
 13 went on for years with valuable 911 resources being unnecessarily expended due to CenturyLink's
 14 failure in addressing service issues. (See Exhibit 5).

15 34. At the February 4-5, 2020, Open Meeting, Mr. Drew Sanders, Chief of Police for the
 16 Page Police Department ("Page PD") further elaborated on issues that the Page PD has with
 17 CenturyLink. In addition to the most recent service outage on January 3-4, 2020, (See Exhibit 1,
 18 Incident No. 12) where both the 911 system and the landlines in the Page area were inoperative there
 19 has been recurring issues with the nonemergency lines at the dispatch center going out of service.
 20 While the remainder of the City's landlines would be operational, the nonemergency lines at the
 21 dispatch center were not. CenturyLink failed to notify the City of these outages. In fact, the Page PD
 22 has been the one to notify CenturyLink every time these outages occur CenturyLink failed to
 23 promptly return the lines to service. The residents of the City were forced to call 911 instead of using
 24 the nonemergency number because of the lack of service on the nonemergency lines; thus
 25 overburdening the 911 service, however, this arrangement is not sustainable.

26 ...

27 ² See, Special Open Meeting, December 4, 2019, Commission Workshop on Telecom Service
 28 Outages and their impact on 9-1-1 Services (Docket No. T-00000A-19-0379);
https://azcc.granicus.com/player/clip/3720?view_id=3.

1 ...

2 *iv. Unreasonable delays in addressing problems with critical services affecting*
3 *the health and safety of customers.*

4 35. See paragraphs 16-34 above. In addition, consumer complaints involving
5 longstanding issues involving lack of service and an accompanying inability to call 911 can be found
6 in the Commission's Consumer Services database.

7 36. In Complaint No. 2019-157333 filed on January 15, 2018, the customer indicated that
8 he had no dependable service for about 2 weeks and the customer was concerned about the inability
9 to call 911. (See Exhibit 6).

10 37. In Complaint No. 2018-148690 filed on March 22, 2018, the customer indicated that
11 his phone service had not been working for the past 19 days and counting. The customer also stated
12 that for years the phone would stop working for 2-3 consecutive days and that CenturyLink was
13 aware of the problem. The customer expressed concern with the inability to dial 911 especially in
14 light of family health issues. (See Exhibit 7).

15 38. In Complaint No. 2018-151679 filed on June 22, 2018, the customer indicated he/she
16 had health problems and there was a lack of phone service. The customer expressed concerns with
17 not having a reliable phone to dial 911. (See Exhibit 8).

18 39. In Complaint No. 2018-157182 filed on December 29, 2018, the customer indicated
19 that he/she had experienced numerous problems with nonfunctioning lines for 2-3 years. The
20 customer also indicated that he/she had needed the phone for essential services and found the phone
21 line was not working or in such bad shape that 911 operators were unable to hear or understand the
22 call or conversation due to line noise, crackling, static and cutting in and out. (See Exhibit 9).

23 40. In Complaint No. 2019-160712 filed on November 15, 2019, the customer complained
24 that the number of outages occurring are excessive – customer is a stage 4 cancer patient and relies
25 on landline service for emergency 911 calls. (See Exhibit 10).

26 41. In Complaint No. 2019-160698 filed on November 15, 2019, the customer discovered
27 his/her phone line was dead – and the customer had not been notified by CenturyLink. Customer
28 called CenturyLink and was told there was a cable outage that could require 4 days to repair. The

1 customer had concerns should there be a need to dial 911. Customer suggests that CenturyLink be
2 required to notify customers of any outages to allow them to prepare alternate protocols for
3 emergencies. (See Exhibit 11).

4 42. In Inquiry No. 2019-157337 filed January 16, 2019, the customer has not had
5 dependable landline phone service since January 1, 2019. The customer cannot dial out, and on the
6 rare occasion they can, the calls get dropped. People cannot hear the customer. The Customer
7 expressed concern with the inability to dial 911. (See Exhibit 12).

8 43. In Inquiry No. 2019-158582, filed on May 28, 2019 a serious outage occurred which
9 forced a public safety provider to stop accepting patients needing transport by ambulance for a period
10 of approximately 15 hours. Banner Ironwood Medical Center lost telephone and data services on
11 March 24, 2019, due to a communications outage involving fiber optic lines impacting both their
12 primary and redundant connections. The Town of Queen Creek's Fire and Medical Departments
13 were also impacted due to significant delays in restoring communications to the hospital. This type
14 of situation is of the utmost concern when a medical facility cannot accept patients in need of critical
15 medical care. The facility is the only hospital that lies within the Town boundaries of Queen Creek
16 making it vital to members of the community. The transport provider states that CenturyLink's
17 response and repair time to rectify this situation should be reviewed and appropriate corrective action
18 should be taken to ensure incidents like this are prevented in the future. (See Exhibit 13).

19 v. ***Failure to ensure the redundancy necessary in providing critical services***
20 ***affecting the health and safety of customers.***

21 44. In 2014, in response to a 911 outage in Payson, Arizona, a Rim Country Broadband
22 Forum was established. On August 9, 2017, a CenturyLink facility fiber cut caused a cell phone
23 service outage in the Payson area. CenturyLink provides many of the underlying facilities as the
24 Incumbent Local Exchange Carrier that provides telecommunications services in the Payson, Arizona
25 and Camp Verde area. Other service providers lease facilities from CenturyLink. There are also
26 wireless providers with facilities in the area. In August 2017, a motorcyclist attempting to find cell
27 phone coverage because of a landline outage was involved in an accident. It was only when
28 bystanders attempted to call 911 that it was discovered that there was no service. One bystander was

1 forced to drive from the accident site to Payson to call 911. The outage resulted in a serious delay for
2 responders to arrive at the scene of the accident. The motorcyclist was ultimately pronounced dead at
3 Banner Payson Medical Center. (*See* Exhibit 14).

4 45. CenturyLink has several options that could have provided redundancy for its system.
5 CenturyLink indicated at the time that the best solution was to close the loop by adding a fiber route
6 to Winslow that would require 63 miles of new fiber optic cable from Tonto Creek to the top of the
7 Mogollon Rim and on to Winslow. The line would be buried for 59 miles and aerial for 4 miles at a
8 cost of \$18 million and would take two years to complete. CenturyLink did not elect this option
9 finding that it did not want to bear the entire cost of the project.

10 46. Another option involved putting in 8 miles of new fiber optic cable to connect Payson
11 with a Frontier Communications line in northeast Arizona. CenturyLink stated it would have to lease
12 space on a facility from Frontier for \$55,000 a month. Again, because CenturyLink did not want to
13 pay the monthly recurring charge, it declined this option.

14 47. Yet, another option was to add a fiber line to existing Arizona Public Service
15 Company ("APS") power lines north between Highway 87 and Blue Ridge. CenturyLink objected to
16 this because the large 600-foot spans would result in the fiber sagging and being too low. APS
17 countered that the span between the poles are between 200 and 300 feet and it currently had fiber
18 lines running on the power poles.

19 48. *See* paragraph 43 above involving an Inquiry and Formal Complaint with respect to a
20 CenturyLink service outage in Queen Creek affecting an emergency transport provider, Queen Creek
21 Fire and Medical Department and Banner Ironwood Medical Center. According to the report taken
22 by Consumer Services, on Sunday, March 24, 2019, there was a power outage involving fiber optic
23 lines. It occurred at approximately 6:20 a.m. A fire involving an SRP utility pole at Signal Butte
24 Road and Riggs Road was identified as the underlying cause of the outage. Just prior to 8:00 a.m.
25 Queen Creek Fire and Medical had completed their work and SRP was to begin repairs. CenturyLink
26 first states that it was notified of the fiber outage around 7:25 a.m. It states that the pole was tagged
27 safe by SRP at 3:45 p.m. CenturyLink claims fiber service was restored at approximately 10:30 p.m.,
28 however Queen Creek Fire and Medical Department were not notified until 1:30 a.m. on Monday

1 April 25 that the repairs were complete. Final work by CenturyLink was not completed until
 2 Monday, March 25 at 11:30 a.m. more than 24 hours later. CenturyLink apparently indicated a
 3 problem with diversity and redundancy and a separate conduit need for future service.

4 49. During the time that service was out; Queen Creek and Medical crews responded to a
 5 911 call for a cardiac patient. The patient was ultimately transported to a hospital 8.1 miles away.
 6 Fortunately, the patient endured the delay and longer transport time without being adversely affected.

7 50. On July 23, 2019, C.H. Huckelberry, County Administrator with the Pima County 911
 8 System ("Pima County") sent a letter to Chairman Burns and the Commissioners to express their
 9 concerns with CenturyLink's overall lack of performance in their provisioning of Next Generation
 10 911 ("NG-911") Communication System and the outage that occurred on July 9, 2019 in which both
 11 the primary and backup systems failed. The failures occurred despite CenturyLink's assurance and
 12 advertising the 911 emergency network would be 99.999 percent available and there would be no
 13 more than five minutes of downtime. "We find it unfathomable that both their primary and backup
 14 systems failed." (See Exhibit 3).

15 51. On March 11, 2020, ACT Towing, LLC dba All City Towing ("ACT") filed an
 16 informal complaint with the Utilities Division's Consumer Services Department regarding issues with
 17 ACT's CenturyLink provided services. ACT subscribes to voice IP technology and internet services,
 18 including a redundancy system. ACT claims that it has been paying an average of \$6,100 per month
 19 for approximately 4 years, which was to include a redundancy system; however that system was
 20 never operable. (See Exhibit 4).

21 **vi. Failure to implement procedures or best practices applicable to CenturyLink**
 22 **QC employees and third-party contractors to ensure availability of critical**
 23 **health and safety services.**

24 52. In the early morning of December 27, 2018, CenturyLink experienced a nationwide
 25 outage on its fiber network that lasted for almost 37 hours. It was determined that this outage was
 26 caused by an equipment failure catastrophically exacerbated by a network configuration error.
 Arizona was one of the states affected by this outage. (See Exhibit 15).

27 53. On August 19, 2019, the Public Safety and Homeland Security Bureau of the FCC
 28 issued a Report entitled: "December 27, 2018 CenturyLink Network Outage Report." The FCC

1 concluded that this outage was instructive on the importance of network reliability and the
2 implementation of industry-accepted best practices. *Id.*

3 54. According to that Report, the outage affected communications service providers,
4 business customers and consumers who directly or indirectly rely upon CenturyLink's transport
5 services. It resulted in extensive disruptions to phone service, including 911. "The effects included
6 dropped calls, disconnected 911 call centers (PSAPs), and fast-busy signals for people who called
7 911." As many as 22 million customers in 39 states were affected; and 17 million customers in 29
8 states lacked reliable access to 911 service. At least 886 calls to 911 were not delivered.

9 55. According to the FCC's Report, this outage demonstrated the importance of either
10 turning off or otherwise disabling unused system features to prevent unintentional and unmonitored
11 use of those features that can result in negative, unintended consequences. Additionally, network
12 administrators should have secondary network monitoring procedures in place for when primary
13 network monitoring procedures are inoperable or insufficient.

14 56. The FCC concluded that there are several best practices that could have prevented the
15 outage, or at least mitigated its effects. Specifically: (1) system features that are not in use should be
16 turned off or disabled; (2) for unidentified failure modes, implementing filters can alleviate the
17 impact of the failure; (3) network monitoring should include memory and processor utilization alarms
18 that are regularly audited to ensure functionality and evaluated to improve early detection and
19 calibration, and (4) standard operating procedures for network repair should address cases where
20 normal networking monitoring procedures are inoperable or otherwise unavailable. *Id. at 15*

21 ***vii. Failure to notify the Commission of all service outages.***

22 57. The Commission Staff has learned of several instances where CenturyLink failed to
23 report outages to the Commission. The Staff does not know how widespread this problem is or how
24 often it is happening.

25 58. On February 26, 2018, the *Payson Round Up* reported that a service outage on
26 February 25, 2018, commencing at approximately 11:00 a.m. in the Pine-Strawberry and Payson
27 areas. The outage lasted for approximately 6 hours, with service being restored at approximately
28 5:00 p.m. However, some individuals reported a second outage around 10:00 p.m. The Payson

1 Police Department was forced to re-route 911 calls through the Cottonwood dispatch center from
2 11:30 a.m. to 5:30 p.m. According to the article, a CenturyLink employee indicated that there was a
3 fiber optic cable cut and CenturyLink was able to roll to spare fibers to restore service connectivity.
4 CenturyLink failed to report the outage to the Commission. (See Exhibit 14 at 13).

5 59. CenturyLink failed to report another outage to the Commission. The Commission
6 learned of this outage from information provided by the Page Police Department in documents filed
7 in Docket No. T-00000A-19-0179, on February 4, 2020, by the Office of Commissioner Sandra D.
8 Kennedy. (See Exhibit 16). Details of the incident were provided by both CenturyLink and Arizona
9 Telephone Company. This service outage affected 911 systems. (See Exhibit 1, Incident 14).

10 **B. Failure to Maintain Pedestals and Other Network Equipment in a Safe Condition**
11 **Posing a Health and Safety Risk to Members of the Public.**

12 60. On July 31, 2019, Staff opened a new docket pursuant to A.R.S. § 40-321 to examine
13 the state of CenturyLink QC facilities to determine whether they were just, reasonable, safe, proper,
14 adequate and/or sufficient to assure the continual delivery of safe and reliable service to ratepayers.

15 61. Numerous pictures were placed in the docket of facilities that were allowed to
16 deteriorate to such an extent that customers were expressing concern over their safety especially to
17 small children in the vicinity. (See Exhibit 17).

18 62. From the pictures, the problem appears to be widespread throughout the CenturyLink
19 service territory. (See Exhibits 18 and 19).

20 **CONCLUSIONS OF LAW**

21 1. The Commission has jurisdiction to hear complaints against public service
22 corporations pursuant to A.R.S. § 40-246. The Commission has jurisdiction to supervise and regulate
23 public service corporations pursuant to Article XV of the Arizona Constitution and Title 40 of the
24 Arizona Revised Statutes.

25 2. CenturyLink QC is a public service corporation within the meaning of Article XV of
26 the Arizona Constitution and is subject to the jurisdiction of the Commission.

27 3. The Commission has jurisdiction over the subject matter of Staff's Complaint and
28 Petition for an Order to Show Cause.

1 4. Notice of this proceeding has been given in accordance with law.

2 5. The Commission has authority to make and enforce reasonable rules, regulations, and
3 orders for the comfort, safety, and preservation of the health, of patrons of CenturyLink QC. Ariz.
4 Const. Art. XV § 3.

5 6. The Commission has authority to determine appropriate remedies and enforce said
6 remedies by order or regulation, when the Commission finds that the service or equipment of a public
7 service corporation is unsafe, inadequate, or insufficient. A.R.S. § 40-321.

8 7. CenturyLink QC is required to furnish and maintain such service, equipment, and
9 facilities as will promote the safety, health, comfort, and convenience of its patrons, employees, and
10 the public, and as will be in all respects adequate, efficient, and reasonable.

11 8. Under Article XV § 3 of the Arizona Constitution, the Commission may enter “orders
12 for the convenience, comfort, and safety and preservation of the health” of the customers of a public
13 service corporation.

14 9. Pursuant to A.R.S. §§ 40-202; 40-203, 40-321; 40-322; 40-361(B); and Article XV § 3
15 of the Arizona Constitution, the Commission may prohibit unjust and unreasonable service.

16 10. The Commission may furthermore enforce A.A.C. R14-2-607(A) and (C) against
17 service, equipment and facilities that fail to promote the safety, health, comfort and convenience of
18 the public.

19 11. Pursuant to A.R.S. §§ 40-424 and 40-425, the Commission may impose fines in an
20 amount not less than \$100 or more than \$5,000 for each violation of Commission Statutes and
21 Regulations.

22 12. It is lawful and in the public interest to issue the requested Order to Show Cause
23 against CenturyLink QC as alleged in Staff’s Complaint and Petition.

24 **ORDER**

25 IT IS THEREFORE ORDERED that the Hearing Division shall convene a procedural
26 conference to determine a procedural schedule including the time for CenturyLink QC to file a
27 response to Staff’s Complaint and to schedule a time for a hearing for CenturyLink QC to appear and
28 show cause to defend:

- a. Why its actions do not represent a violation of A.R.S. § 40-361(B);
- b. Why its actions do not represent a violation of A.A.C. R14-2-507(A);
- c. Why its actions do not represent a violation of A.A.C. R14-2-507 (C);
- d. Why its actions do not represent a failure to provide just and reasonable service;
- e. Why fines and penalties should not be imposed pursuant to A.R.S. §§ 40-424 and 40-425 and Article 15, Section 19 of the Arizona Constitution;
- f. Why other relief deemed appropriate by the Commission should not be ordered.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

Robert L. Burns
CHAIRMAN BURNS

DISSENT

COMMISSIONER DUNN

James W. Kennedy
COMMISSIONER KENNEDY

DISSENT

COMMISSIONER OLSON

Lea Marquez Peterson
COMMISSIONER MARQUEZ PETERSON



IN WITNESS WHEREOF, I, MATTHEW NEUBERT, Executive Director of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 14 day of May, 2020.

Matthew Neubert
MATTHEW NEUBERT
EXECUTIVE DIRECTOR

DISSENT: *Justin Long*

DISSENT: *[Signature]*